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INTERSTATE COMMERCE COMMISSION

LEASE OF RAILROAD EQUIPMENT

Dated as of September 1, 1972

between

ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY

and

MERCANTILE TRUST COMPANY N.A.

Filed and recorded with the Interstate Commerce Commission pursuant to Section 20c of the Interstate Commerce Act on September 1, 1972, at .M., Recordation No. .

LEASE OF RAILROAD EQUIPMENT dated as of September 1, 1972, between ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY, a Missouri corporation (hereinafter called Lessee), and MERCANTILE TRUST COMPANY N.A., a national banking association (hereinafter called the Lessor).

WHEREAS, the Lessor and the Lessee have entered into a Conditional Sale Agreement dated as of the date hereof (the "Security Documents"), with GREENVILLE STEEL CAR CO. (the "Builder"), wherein the Builder has agreed to manufacture, sell and deliver to the Lessor the railroad equipment described in Schedule A hereto;

WHEREAS, the Builder has assigned or will assign its interests in the Security Documents to UNITED STATES TRUST COMPANY OF NEW YORK, as Agent (hereinafter, together with its successors and assigns, referred to as the Vendor); and

WHEREAS, the Lessee desires to lease all the units of said equipment, or such lesser number (hereinafter called the Units) as are delivered and accepted and settled for under the Security Documents on or prior to December 31, 1972 (hereinafter called the Cut-Off Date), at the rentals and for the terms and upon the conditions hereinafter provided;

Now, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Lessee, the Lessor hereby leases the Units to the Lessee upon the following terms and conditions, but, upon default of the Lessee hereunder or under the Security Documents, subject to all the rights and remedies of the Vendor under the Security Documents:

§ 1. *Incorporation of Model Provisions.* Whenever this Lease incorporates herein by reference, in whole or in part or as hereby amended, any provision of the document entitled "Model Lease Provisions" annexed to the Security Documents as Part II of Annex C thereto (hereinafter called the Model Lease Provisions), such provision of the Model Lease Provisions shall be deemed to be a part of this instrument as fully to all intents and purposes as though such provision had been set forth in full in this Lease.

§ 2. *Delivery and Acceptance of Units.* § 2 of the Model Lease Provisions is herein incorporated as § 2 hereof.

§ 3. *Rentals.* The Lessee agrees to pay to the Lessor as rental for each Unit subject to this Lease 61 consecutive quarter-annual payments, payable on January 15, April 15, July 15 and October 15 in each year commencing with January 15, 1973 (or if any such date is not a business day, on the next preceding business day). The first such payment shall be in an amount equal to 0.021806% of the Purchase Price (as defined in the Security Document pursuant to which such Unit is being acquired by Lessor) of each Unit subject to this Lease for each day elapsed from and including the date such Unit is settled for under such Security Document to January 15, 1973; and the next 60 quarter-annual payments shall each be in an amount equal to 2.14939% of the Purchase Price of each such Unit.

The Lessor irrevocably instructs the Lessee to make, and the Lessee agrees to make, all the payments provided for in this Lease in immediately available New York or Federal funds (including but not limited to the payments required under § 7 hereof) for the account of the Lessor, c/o United States Trust Company of New York, 45 Wall Street, New York, N. Y. 10015 on or before 11 o'clock a. m. New York time on the date upon which payments are due and payable. Such payments shall be applied by the Vendor to satisfy the obligations of the Lessor under the Security Documents due and payable on, or within three months and six days after, the date such payments are due hereunder and, so long as no event of default under the Security Documents shall have occurred and be continuing, any balance shall be paid to the Lessor.

This Lease is a net lease and the Lessee shall not be entitled to any abatement of rent, reduction thereof or setoff against rent, including, but not limited to, abatements, reductions or setoffs due or alleged to be due by reason of any past, present or future claims of the Lessee against the Lessor under this Lease or under the Security Documents, including the Lessee's rights by subrogation under Article 8 thereof, or the Builders or the Vendor or otherwise; nor, except as otherwise expressly provided herein, shall this Lease terminate, or the respective obligations of the Lessor or the Lessee be otherwise affected, by reason of any defect in or damage to or loss of possession or loss of use or destruction of all or any of the Units from whatsoever cause, any liens, encumbrances or rights of others with respect to any of the Units, the prohibition of or other restriction against the Lessee's use of all or

any of the Units, the interference with such use by any person or entity, the invalidity or unenforceability or lack of due authorization of this Lease, any insolvency, bankruptcy, reorganization or similar proceeding against the Lessee, or for any other cause whether similar or dissimilar to the foregoing, any present or future law to the contrary notwithstanding, it being the intention of the parties hereto that the rents and other amounts payable by the Lessee hereunder shall continue to be payable in all events in the manner and at the times herein provided unless the obligation to pay the same shall be terminated pursuant to the express provisions of this Lease. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statute or otherwise, to terminate, cancel, quit or surrender the lease of any of the Units except in accordance with the express terms hereof. Each rental or other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Lessor for any reason whatsoever.

§ 4. *Term of Lease.* The term of this Lease as to each Unit shall begin on the date of the delivery to and acceptance by the Lessee of such Unit and, subject to the provisions of §§ 7, 10 and 13 hereof, shall terminate on the date on which the final quarter-annual payment of rent in respect thereof is due pursuant to § 3.

Notwithstanding anything to the contrary contained herein, all rights and obligations under this Lease and in and to the Units, upon default by the Lessee hereunder, or under the Security Documents in its capacity as Guarantor or otherwise, are subject to the rights of the Vendor under the Security Documents. If an event of default should occur under the Security Documents, the Vendor may terminate this Lease (or rescind its termination), all as provided therein, unless the Lessee is not so in default under this Lease or under the Security Documents.

§ 5. *Indentification Marks.* § 5 of the Model Lease Provisions is herein incorporated as § 5 hereof.

§ 6. *Taxes.* § 6 of the Model Lease Provisions is herein incorporated as § 6 hereof.

§ 7. *Payment for Casualty Occurrences; Insurance.* In the event that any Unit shall be or become worn out, lost, stolen, destroyed, or, in the opinion of the Lessor or the Lessee, irreparably damaged, from any cause whatsoever, or taken or requisitioned by condemnation or otherwise (such occurrences being hereinafter called Casualty Occur-

rences) during the term of this Lease, the Lessee shall promptly and fully notify the Lessor and the Vendor with respect thereto. On the January 15 or July 15 next succeeding such notice, the Lessee shall pay to the Lessor the rental payment due and payable on such date plus a sum equal to the Casualty Value (as hereinafter defined) of such Unit as of the date of such payment in accordance with the schedule set out below. Upon the making of such payment by the Lessee in respect of any Unit, the rental for such Unit shall cease to accrue, the term of this Lease as to such Unit shall terminate and Lessor shall, upon request of Lessee, deliver to or upon the order of Lessee a bill of sale (without warranty) for such Unit.

The Casualty Value of each Unit as of any January 15 or July 15 shall be that percentage of the Purchase Price of such Unit as is set forth in the following schedule opposite such date:

<u>Date</u>	<u>Percentage</u>	<u>Date</u>	<u>Percentage</u>
1/15/73 -----	105.3972%	7/15/80 -----	65.1368%
7/15/73 -----	104.8766	1/15/81 -----	62.3257
1/15/74 -----	103.8995	7/15/81 -----	59.5470
7/15/74 -----	103.0234	1/15/82 -----	56.5496
1/15/75 -----	101.6827	7/15/82 -----	53.5759
7/15/75 -----	100.4487	1/15/83 -----	50.4069
1/15/76 -----	94.1191	7/15/83 -----	47.2527
7/15/76 -----	92.5455	1/15/84 -----	43.9271
1/15/77 -----	90.5698	7/15/84 -----	40.6074
7/15/77 -----	88.6891	1/15/85 -----	37.1407
1/15/78 -----	81.8450	7/15/85 -----	33.6710
7/15/78 -----	79.7267	1/15/86 -----	30.0675
1/15/79 -----	77.3267	7/15/86 -----	26.4522
7/15/79 -----	74.9798	1/15/87 -----	22.7055
1/15/80 -----	67.7064	7/15/87 -----	18.9378
		1/15/88 and thereafter -	15.0000

Except as hereinabove in this § 7 provided, the Lessee shall not be released from its obligations hereunder in the event of, and shall bear the risk of, any Casualty Occurrence to any Unit after delivery to and acceptance thereof by the Lessee hereunder.

The Lessee will, at all times while this Lease is in effect, at its own expense, cause to be carried and maintained insurance in respect of the Units at the time subject hereto, and public liability insurance, in amounts and against risks customarily insured against by railroad companies on similar equipment, and in any event in amounts and against risks comparable to those insured against by the Lessee on equipment owned by it and the benefits thereof shall be payable as provided in the Security Documents. Any net insurance proceeds as the result of insurance carried by the Lessee received by the Lessor in respect of Units suffering a Casualty Occurrence shall be deducted from the amounts payable by the Lessee to the Lessor in respect of Casualty Occurrences pursuant to this § 7. If the Lessor shall receive any such net insurance proceeds or condemnation payments after the Lessee shall have made payments pursuant to this § 7 without deduction for such net insurance proceeds or such condemnation payments, the Lessor shall pay such proceeds to the Lessee up to an amount equal to the Casualty Value with respect to a Unit paid by the Lessee and any balance of such proceeds shall remain the property of the Lessor.

§ 8. *Annual Reports.* § 8 of the Model Lease Provisions is herein incorporated as § 8 hereof.

§ 9. *Disclaimer of Warranties; Compliance with Laws and Rules; Maintenance; and Indemnification.* § 9 of the Model Lease Provisions is herein incorporated as § 9 hereof, except that

(a) the following is added at the end of the third paragraph thereof:

“, ordinary wear and tear excepted”; and

(b) the following is added at the end of the fourth paragraph thereof:

“; provided, however, that Lessee shall have and retain title to and control of (including the right of removal) such devices and appurtenances of an optional character as Lessee may elect to add to any Unit but which are not required by the Interstate Commerce Commission, the Department of Transportation, or any other applicable regulatory body for the

operation, use or interchange of such Unit, and which are not included in the Purchase Price of such Unit, upon condition that the Lessee shall at its own expense upon such removal restore such Unit to its condition as existing prior to such removal, including any such repairs necessary to make such Unit qualify under the rules or regulations of any such regulatory body''.

§ 10. *Default.* If, during the continuance of this Lease, one or more of the following events (each such event being hereinafter sometimes called an Event of Default) shall occur:

A. default shall be made in payment of any part of the rental provided in § 3 hereof and such default shall continue for ten days;

B. the Lessee shall make or permit any unauthorized assignment or transfer of this Lease or of possession of the Units, or any thereof;

C. default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Lessee contained herein or in the Security Documents and such default shall continue for 30 days after written notice from the Lessor to the Lessee specifying the default and demanding that the same be remedied;

D. any proceedings shall be commenced by or against the Lessee for any relief which includes, or might result in, any modification of the obligations of the Lessee hereunder or under the Security Documents under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extension (other than a law which does not permit any readjustments of the obligations of the Lessee hereunder or under the Security Documents), and, unless such proceedings shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under this Lease and under the Security Documents shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees or receiver or receivers appointed for the Lessee or for the property of the Lessee in connection with any such proceedings in such manner that such obligations shall have the same status as obligations incurred by such a trustee or trustees or re-

ceiver or receivers, within 30 days after such appointment, if any, or 60 days after such proceedings shall have been commenced, whichever shall be earlier; or

E. a petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may hereafter be amended, shall be filed by or against the Lessee and, unless such petition shall have been dismissed, nullified, stayed or otherwise rendered ineffective (but then only so long as such stay shall continue in force or such ineffectiveness shall continue), all the obligations of the Lessee under the Security Documents and this Lease shall not have been duly assumed in writing, pursuant to a court order or decree, by a trustee or trustees appointed in such proceedings in such manner that such obligations shall have the same status as obligations incurred by such trustee or trustees, within 30 days after such appointment, if any, or 60 days after such petition shall have been filed, whichever shall be earlier;

then, in any such case, the Lessor, at its option, may:

(a) proceed by appropriate court action or actions either at law or in equity, to enforce performance by the Lessee of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(b) by notice in writing to the Lessee terminate this Lease, whereupon all rights of the Lessee to the use of the Units shall absolutely cease and terminate as though this Lease had never been made, but the Lessee shall remain liable as hereinafter provided; and thereupon the Lessor may by its agents enter upon the premises of the Lessee or other premises where any of the Units may be and take possession of all or any of such Units and thenceforth hold, possess and enjoy the same free from any right of the Lessee, or its successors or assigns, to use the Units for any purposes whatever; but the Lessor shall, nevertheless, have a right to recover from the Lessee any and all amounts which under the terms of this Lease may be then due or which may have accrued to the date of such termination (computing the rental for any number of days less than a full rental period by multiplying the rental for such full rental period by a fraction of which the numerator is such number of days and the denominator is the total number of days in such full rental period) and also to recover forthwith from the Lessee (i) as damages for loss of the bargain and

not as a penalty, a sum, with respect to each Unit, which represents the excess of (x) the present value, at the time of such termination, of the entire unpaid balance of all rental for such Unit which would otherwise have accrued hereunder from the date of such termination to the end of the term of this Lease as to such Unit over (y) the then present value of the rentals which the Lessor reasonably estimates to be obtainable for the Unit during such period, such present value to be computed in each case on the basis of a rate of 6% per annum, compounded quarterly from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated, (ii) any damages and expenses, including reasonable attorneys' fees, in addition thereto which the Lessor shall have sustained by reason of the breach of any covenant or covenants of this Lease other than for the payment of rental, and (iii) an amount which, after deduction of all taxes required to be paid by the Lessor in respect of the receipt thereof under the laws of the United States of America or any political subdivision thereof, calculated on the assumption that the Lessor's Federal, state and local taxes computed by reference to net income or excess profits are based on a 48% effective Federal tax rate and the highest effective state and local income tax and/or excess profit tax rates generally applicable to the Lessor, including therein the effect of any applicable surtax, surcharge and/or other tax or charge related thereto, and deducting from any such Federal tax 48% of the amount of any such state and local tax (such rates as so calculated being hereinafter in this Agreement called the Assumed Rates) shall be equal to the following:

(A) an amount equal to any portion of the 7% investment credit with respect to the Purchase Price of the Units as provided in Section 38 and related Sections of the Internal Revenue Code of 1954, as amended (hereinafter called the Investment Credit), lost, not claimed, not available for claim, disallowed or recaptured by or from the Lessor as a result of the breach of one or more of the representations, warranties and covenants made by the Lessee in § 17 or any other provision of the Lease or the sale or other disposition of the Lessor's interest in any Unit after the occurrence of an Event of Default; plus

(B) such sum as, in the reasonable opinion of the Lessor, will cause the Lessor's net return (taxes being calculated at

the Assumed Rates) under this Lease to be equal to the net return (taxes being calculated at the Assumed Rates) that would have been available to the Lessor if the Lessor had been entitled to take a deduction (hereinafter called the Class Life Deduction) in respect of the depreciation of each Unit over a 12-year life to a net value equal to 0% of the Purchase Price under regulations to be prescribed by the Secretary of the Treasury or his delegate under Section 167(m) of the Internal Revenue Code of 1954, as amended, which Class Life Deduction was lost, not claimed, not available for claim, disallowed or recaptured in respect of a Unit as a result of the failure of said Secretary to permit a Class Life Deduction to the extent described above or as the result of the breach of one or more of the representations, warranties and covenants made by the Lessee in § 17 or any other provision of this Lease, the termination of this Lease, the Lessee's loss of the right to use such Unit, any action or inaction by the Lessor or the sale or other disposition of the Lessor's interest in such Unit after the occurrence of an Event of Default.

The remedies in this Lease provided in favor of the Lessor shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Lessee hereby waives any mandatory requirements of law, now or hereafter in effect, which might limit or modify the remedies herein provided, to the extent that such waiver is permitted by law. The Lessee hereby waives any and all existing or future claims to any offset against the rental payments due hereunder, and agrees to make rental payments regardless of any offset or claim which may be asserted by the Lessee or on its behalf.

The failure of the Lessor to exercise the rights granted it hereunder upon the occurrence of any of the contingencies set forth herein shall not constitute a waiver of any such right upon the continuation or recurrence of any such contingencies or similar contingencies.

§ 11. *Return of Units Upon Default.* § 11 of the Model Lease Provisions is herein incorporated as § 11 hereof.

§ 12. *Assignment; Possession and Use.* § 12 of the Model Lease Provisions is herein incorporated as § 12 hereof.

§ 13. *Purchase and Renewal Options.* Provided that this Lease has not been earlier terminated and the Lessee is not in default hereunder, the Lessee may by written notice delivered to the Lessor not less than six months prior to the end of the original term of this Lease or any extended term hereof, as the case may be, elect (a) to extend the term of this Lease in respect of all, but not fewer than all, of the Units then covered by this Lease, for one additional five-year period, commencing on the scheduled expiration of the original term of this Lease, at a rental equal to 35% of the rental for such Units specified for the quarter-annual payments in § 3 (other than the first such quarter-annual payment), in 20 quarter-annual payments on January 15, April 15, July 15 and October 15 in each year, commencing three months after the final quarter-annual rental payment for the original term is due and (b) to purchase all, but not fewer than all, the Units covered by this Lease at the end of the original or any extended term of this Lease for a purchase price equal to the "Fair Market Value" of such Units as of the end of such term.

Fair Market Value shall be determined on the basis of, and shall be equal in amount to, the value which would obtain in an arm's-length transaction between an informed and willing buyer-user (other than (i) a lessee currently in possession and (ii) a used equipment dealer) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such value. If on or before four months prior to the expiration of the original term of this Lease, in case of an extension thereof, or of the original or the extended term of this Lease, in the case of a purchase of the Units, the Lessor and the Lessee are unable to agree upon a determination of the Fair Market Value of the Units, such value shall be determined in accordance with the foregoing definition by a qualified independent Appraiser. The term Appraiser shall mean such independent appraiser as the Lessor and the Lessee may mutually agree upon, or failing such agreement, a panel of three independent appraisers, one of whom shall be selected by the Lessor, the second by the Lessee and the third designated by the first two so selected. The Appraiser shall be instructed to make such determination within a period of 30 days following appointment, and shall promptly communicate such determination in writing to the Lessor and the Lessee. The determination so made shall be conclusively binding upon both Lessor and Lessee. The expenses and fees of the Appraiser shall be borne by the Lessee.

Upon payment of the purchase price, the Lessor shall upon request of the Lessee execute and deliver to the Lessee, or to the Lessee's assignee or nominee, a bill of sale (without representations or warranties except that such Units are free and clear of all claims, liens, security interests and other encumbrances by or in favor of any person claiming by, through or under the Lessor) for such Units, and such other documents as may be required to release such Units from the terms and scope of this Lease and to transfer title thereto to the Lessee or such assignee or nominee, in such form as may reasonably be requested by the Lessee, all at the Lessee's expense.

§ 14. *Return of Units upon Expiration of Term.* § 14 of the Model Lease Provisions is herein incorporated as § 14 hereof.

§ 15. *Opinion of Counsel.* § 15 of the Model Lease Provisions is herein incorporated as § 15 hereof.

§ 16. *Recording; Expenses.* § 16 of the Model Lease Provisions is herein incorporated as § 16 hereof, except that the reference in the first sentence of the last paragraph thereof to the "Lessee" shall be deemed to be a reference to the "Lessor".

§ 17. *Federal Income Taxes.* The Lessor, as the owner of the Units, shall be entitled to such deductions, credits and other benefits (such deductions, credits and other benefits being in this § 17 called "Benefits") as are provided by the Internal Revenue Code of 1954, as amended from time to time, and the regulations thereunder (hereinafter called the Code) to an owner of property, including (without limitation) the Investment Credit and the Class Life Deduction (as defined in § 10 of this Lease), with respect to the Units. Nothing herein contained shall be construed as an election by the Lessor to treat the Lessee as having acquired the Units for the purposes of the Investment Credit or as a representation or warranty by Lessee of the matters referred to in the preceding sentence.

Lessee agrees that neither it nor any corporation controlled by it, in control of it, or under common control with it, directly or indirectly, will at any time take any action or file any returns or other documents inconsistent with the foregoing and that each of such corporations will file such returns, take such action and execute such documents as may be reasonable and necessary to facilitate accomplishment of the intent thereof. Lessee agrees to keep and make available for inspection and copying by Lessor such records as will enable Lessor to determine

whether it is entitled to the full benefit of the Investment Credit and the Class Life Deduction with respect to the Units.

Lessee represents, warrants and agrees that (i) none of the Units constitutes property the construction, reconstruction or erection of which was begun before April 1, 1971; (ii) at the time of delivery of the Units to the Lessor, the Units will constitute "new section 38 property" within the meaning of Section 48(b) of the Code and will not have been used by any person so as to preclude "the original use of such property" within the meaning of Section 167(c)(2) of the Code from commencing with Lessor; and (iii) at the time of delivery of the Units to the Lessor, and at all times during the term of this Lease, each Unit will constitute property eligible for the Class Life Deduction.

If (A) the Lessor shall lose, or shall not have or shall lose the right to claim, any portion of the Benefits with respect to any Unit as a result of any one or more of the following events or circumstances:

(a) any representation, warranty, fact, estimate, opinion or other statement made or stated by the Lessee (or any officer, employee or agent thereof) contained herein, in the related Finance Agreement or Conditional Sale Agreement or otherwise, made in writing in connection herewith or therewith, shall prove to be fraudulent, untrue, incorrect, inaccurate, misleading, unreasonable or insufficient in whole or in part; or the Lessee shall take any action in respect of its income tax returns or otherwise which shall be inconsistent with, or in contravention of, any of the transactions contemplated hereby or thereby; or the Lessee (or any officer, employee or agent thereof) shall take any other action whatsoever which shall cause the loss of any portion of the Benefits (provided however, that the Lessee shall not be required by the terms of this Section to indemnify the Lessor for the loss of the investment credit where there has been a Casualty Loss and Lessee has paid in full the Casualty Value under § 7); or

(b) the failure of the Lessee to perform or observe any covenant, condition or agreement to be performed or observed by it under this Lease or said related documents;

or (B) Lessee shall for any reason become entitled to any portion of the Benefits; then Lessee shall pay the Lessor, as supplemental rent, upon written demand made by the Lessor at any time after such Benefit could have been claimed by the Lessor if it were allowable or

by the Lessee if it becomes entitled thereto or, if claimed and then lost, at any time after payment of the tax attributable thereto, the following: in the case of paragraph (A) above, (i) an amount which, after deduction of all taxes required to be paid by the Lessor in respect of the receipt thereof under the laws of the United States or of any state or of any political subdivision thereof (after giving credit for any savings in respect of any such taxes by reason of deductions, credits or allowances in respect of the payment of any other such taxes), shall be equal to the increased tax paid by the Lessor by reason of such loss plus (ii) the amount of any interest which may be assessed by the United States against the Lessor attributable thereto, plus (iii) in the event the Lessor shall pay the tax claimed and then seek a refund and the final determination of such claim shall be adverse to the Lessor, interest on the amount of the tax paid attributable to the Benefit disallowed by such claim, computed at the rate of 8% per annum from the date of payment of such tax to the date the Lessee shall reimburse the Lessor for such tax in accordance with the provision of this § 17; and, in the case of (B) above, without duplication of any payment made by Lessee pursuant to (A) above, the amount of any savings in taxes accruing to Lessee by reason of its entitlement to such Benefits.

The rental in § 3 has been computed on the assumption that the lower limit of the asset depreciation range over which the Units may be depreciated for Federal income tax purposes is 12 years; in the event that Lessor shall be permitted to use an asset depreciation period of 11 years, and elects to do so, the figure of 2.14939% in § 3 shall instead be deemed to be 2.13456% as of the commencement of the term of this Lease, and Lessor will refund to Lessee any difference in the two amounts, together with interest at the rate of 4% per annum from the date of each payment to the date of such refund.

If any payment is made by the Lessee under the preceding provisions of this § 17 in respect of any Benefit, but Lessor is entitled to utilization of the Benefit or a comparable tax Benefit in the future by reason of the deferral of the Benefit lost, the Lessor shall pay to the Lessee within thirty days after each receipt by the Lessor of such Benefit or comparable tax Benefit such amount as in the reasonable opinion of the Lessor will reflect the utilization by Lessor of such Benefit or comparable tax Benefit.

§ 18. *Interest on Overdue Rentals.* Anything to the contrary herein contained notwithstanding, any nonpayment of rentals and other obligations due hereunder shall result in the obligation on the part of the Lessee promptly to pay, to the extent legally enforceable, an amount equal to 10% per annum of the overdue rentals for the period of time during which they are overdue or such lesser amount as may be legally enforceable.

§ 19. *Notices.* Any notice required or permitted to be given by either party hereto to the other shall be deemed to have been given when deposited in the United States registered mail, first-class postage prepaid, addressed as follows:

(a) if to the Lessor, at 721 Locust Street, St. Louis, Mo. 63101, Attn.: Mr. Donald Wehrmann, Vice President

(b) if to the Lessee, at 3253 East Trafficway, Springfield, Mo. 65802, Attn.: Mr. H. B. Parker, Vice President

or addressed to either party at such other address as such party shall hereafter furnish to the other party in writing.

§ 20. *Severability; Effect and Modification of Lease.* Any provision of this Lease which is prohibited or unenforceable in any jurisdiction, shall be, as to such jurisdiction, ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

This Lease exclusively and completely states the rights of the Lessor and the Lessee with respect to the Units and supersedes all other agreements, oral or written, with respect to the Units. No variation or modification of this Lease and no waiver of any of its provisions or conditions shall be valid unless in writing and signed by duly authorized officers of the Lessor and the Lessee.

§ 21. *Execution.* This Lease may be executed in several counterparts, each of which so executed shall be deemed to be an original, and such counterparts together shall constitute but one and the same instrument. Although this Lease is dated as of September 1, 1972, for

convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgements hereto annexed.

§ 22. *Law Governing.* The terms of this Lease and all rights and obligations hereunder shall be governed by the laws of the State of Missouri, *provided, however,* that the parties shall be entitled to all rights conferred by Section 20c of the Interstate Commerce Act.

IN WITNESS WHEREOF, the parties hereto have executed or caused this instrument to be executed as of the date first above written.

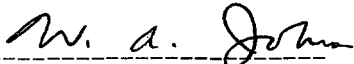
MERCANTILE TRUST COMPANY N.A.

By 

Vice President

[CORPORATE SEAL]

Attest:



Assistant Secretary


ST. LOUIS-SAN FRANCISCO RAILWAY
COMPANY

By 

Vice President

[CORPORATE SEAL]

Attest:



Assistant Secretary

STATE OF MISSOURI }
CITY OF ST. LOUIS } ss.:

On this 25th day of September, 1972, before me personally came DONALD B. WEHRMANN, to me known, who, being by me duly sworn, did depose and say that he resides at St. Louis County, Missouri; that he is a Vice President of MERCANTILE TRUST COMPANY N.A., the national banking association described in and which executed the above instrument; that he knows the corporate seal of said association; that one of the seals affixed to the said instrument is such association seal; that it was so affixed by authority of the Board of Directors of said association, and that he signed his name thereto by like authority.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written

[NOTARIAL SEAL]

Florence M. Gerdel
Notary Public

MY COMMISSION EXPIRES 10-2-75

Florence M. Gerdel

STATE OF MISSOURI }
CITY OF ST. LOUIS } ss.:

On this 25th day of September, 1972, before me personally appeared Donald E. Engle, to me personally known, who, being by me duly sworn, says that he is a Vice President of ST. LOUIS-SAN FRANCISCO RAILWAY COMPANY, that one of the seals affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Sarah J. McLafferty
Notary Public

SARAH J. McLAFFERTY

[NOTARIAL SEAL]

Commissioned within and for the County of St. Louis, Missouri
which adjoins City of St. Louis, Missouri, where this act was
performed.

My Commission Expires April 21, 1974

SCHEDULE A

Type	Builder's Specifications	Builder's Plant	Quantity	Lessee's Road Numbers (Both Inclusive)	Unit Base Price	Total Base Price	Estimated Time and Place of Delivery
100-Ton Open Top Hopper Cars	No. H-3021-1 dated June 28, 1972	Greenville, Pa.	200	SLSF 87400- 87599 inclusive	\$13,975.95	\$2,795,188	Mid-Sept.- Oct., 1972 at Greenville, Pa.